CITY OF CORVALLIS

COUNCIL POLICY MANUAL

POLICY AREA 7 - COMMUNITY IMPROVEMENTS

<u>CP 91-7.06</u> <u>Engineering and Administrative Cost for Assessment Projects</u>

Adopted October 7, 1991

Affirmed 1994
Revised November 3, 1997
Revised October 16, 2000
Affirmed November 1, 2004
Affirmed October 20, 2008
Revised October 15, 2012

7.06.010 Purpose

To establish guidelines for determining engineering and administrative costs to be borne by properties assessed for public improvements. The guidelines are set forth to ensure responsibility for all public improvement costs.

7.06.020 Goals

Insure that all costs associated with the development of assessment projects are accounted for and recovered from the responsible parties.

7.06.030 Background

Municipal codes and policies place the responsibility for the cost of the initial investment in city transportation and utility projects with benefitted properties. These costs include design, construction, and project management expenses. They may also include costs the City incurs when borrowing to finance a public improvement, the cost to offer financing to assessed properties, and financial administration costs associated with the tracking and collection of assessments.

Council Policy 91-7.06

7.06.040 Policy

Unless specifically designated otherwise by the City Council, properties assessed for public improvements shall be responsible for the following costs:

- a. Actual construction cost, which includes contractor payments, costs for construction work by City forces, construction materials supplied by the City, and any other direct construction cost.
- b. Actual engineering and administrative costs.
- c. A financial administration fee of three percent of total construction cost.
- d. Actual interim and permanent financing costs calculated in accordance with applicable financial policies and guidelines.

7.06.050 Review and Update

This Community Improvement Policy shall be reviewed by the Public Works Director every four years in October and updated as appropriate.